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ANNUAL REPORT



FAIR

HOUSING

COUNCIL



ANNUAL REPORT 2015

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Letter from Michael Vruno, Board of Directors Chairperson

2015 was an action-packed year in the fair housing world, full of highs and lows. In June, the US Supreme Court decided a significant fair housing case, *Texas v. Inclusive Communities Project*, holding that disparate impact claims are covered by the federal Fair Housing Act. This means that even facially neutral housing policies may violate the law if they have a disproportionately negative effect based on race, national origin or other protected classes. The Supreme Court's decision protects an essential tool used by the Fair Housing Council and other agencies to combat discrimination.

Further, 2015 saw the long-awaited release of guidance from the federal government on the topic of how local jurisdictions are obligated to affirmatively further fair housing. This guidance aims to make it simpler for cities, counties and states to combat residential segregation and promote inclusive housing patterns. We are eager to work with local government to help make this happen.

Lastly, we were dismayed to see a resurgence of anti-immigrant, xenophobic and anti-Muslim rhetoric this year. We stand with our neighbors and friends of all religious traditions and national origins, united against the discrimination that can arise from rash and prejudiced words.

In this changing landscape of fair housing, will you be part of our activities? Your support is needed more than ever. Please visit www.fairhousingwisconsin.com and join me as a member of the Council!

Sincerely,

Michael Vruno
Board of Directors Chairperson

38 Years of Working for Fair Housing Justice

Prompted by prevailing patterns of racial and economic segregation, widespread discrimination in the housing market and an inadequate number of fair housing enforcement agencies, 40 citizens organized the Metropolitan Milwaukee Fair Housing Council (MMFHC) in 1977. A non-profit, membership-based organization, MMFHC is comprised of men and women who share a desire to create open and inclusive communities throughout Wisconsin.

Shortly after its formation, MMFHC received funding to embark on an ambitious full-service fair housing program. This continues today, as MMFHC works to promote fair housing throughout the State of Wisconsin by combating illegal housing discrimination and by creating and maintaining racially and economically integrated housing patterns. MMFHC serves Milwaukee, Washington, Waukesha, Ozaukee, Dane, Outagamie, Brown, Winnebago and Calumet Counties, as well as the City of Fond du Lac. In addition, MMFHC conducts some out-of-service-area activities.

MMFHC operates two satellite offices, the Fair Housing Center of Greater Madison (FHCGM) and the Fair Housing Center of Northeast Wisconsin (FHCNW). FHCGM has been in existence since 1998, and FHCNW's work began in 2002.

During the past 38 years, MMFHC has established an impressive record of accomplishments and assumed a leadership role in the struggle for equal opportunity in housing.

Enforcement Program Activities

MMFHC provides complaint intake and investigative services to persons who allege violations of local, state and federal fair housing laws. As a part of these services, MMFHC counsels clients on their options for administrative and judicial remedy, assists clients in filing complaints with administrative enforcement agencies and makes referrals to attorneys. In addition, MMFHC conducts investigations into systemic forms of discrimination in the housing market and maintains a pool of volunteers who assist in fair housing enforcement activities.

Intake of Fair Housing Complaints

MMFHC received 139 housing discrimination complaints in 2015. Due to the complex nature of discrimination, some complaints were based on more than one protected class.

The protected class basis of complaints in 2015 was as follows:

Metropolitan Milwaukee

Age	4
Disability	20
Familial Status	7
Lawful Source of Income	2
Marital Status	3
National Origin	1
Race/Color	16
Religion	1
Sex	5
Sexual Orientation	4
Status as Victim of Domestic Abuse, Sexual Assault or Stalking	1

Dane County

Age	1
Disability	6
Familial Status	5
Marital Status	2
National Origin	2
Race	12
Religion	1
Sex	3

Northeast Wisconsin

Age	1
Disability	21
Familial Status	7
Lawful Source of Income	1
Race	11
Sex	2
Sexual Orientation	2

Out of Service Area Complaints

Age	2
Disability	19
Familial Status	5
Lawful Source of Income	1
National Origin	1
Race/Color	1
Sex	4
Sexual Orientation	1
Status as Victim of Domestic Abuse, Sexual Assault or Stalking	1

Referral of Complaints

In 2015, MMFHC referred the following complaints to administrative enforcement agencies and attorneys.

Attorneys	15
US Department of Housing and Urban Development (HUD)	6
Wisconsin Equal Rights Division (ERD)	2

Case Management Services

MMFHC case management services provide support and information to complainants and their attorneys at every step of the process of seeking remedy. These services ensure that complainants are able to make informed decisions about their options and are empowered to pursue a resolution. During 2015, MMFHC provided 409 instances of case management services.

Notable enforcement actions in 2015

During 2015, MMFHC assisted complainants in achieving successful resolutions to many different types of cases. Notable enforcement actions included these:

Homeseeker with Disability Achieves Settlement in Housing Discrimination Case

Tunisha Perkins, a Brown Deer resident with a disability, settled a housing discrimination complaint against Barbara Tremel of Waukesha. As part of the settlement agreement, Tremel agreed to pay Perkins \$7,500.

In her complaint against Tremel, Perkins alleged that she had been denied the opportunity to rent a single-family home on the basis of her disability and source of income. Tremel employed a rental agency, David Nowicki, to interact with prospective renters. In 2009, when Perkins called to

inquire about renting the home, Nowicki told her he would not rent to anyone who was disabled or unemployed.

Perkins contacted MMFHC and filed a complaint. MMFHC counseled Perkins on her fair housing rights and conducted a testing investigation in response to her complaint. As part of the investigation, a tester called Nowicki about the home for rent. Nowicki told the tester he did not rent to anyone who had a disability and that he accepted only income derived from employment.

With assistance from MMFHC, Perkins filed housing discrimination complaints with the U.S. Department of Housing and Urban Development (HUD) and the Wisconsin Equal Rights Division (ERD) in September 2010. ERD issued an initial determination of probable cause in November 2010. As a result of the ERD initial determination, the State of Wisconsin Department of Justice subsequently represented Perkins, and her complaint was ultimately settled through the ERD administrative process in June 2015.

Madison Family Status Case Settles

As part of a systemic testing investigation, MMFHC found that Landl Apartments, located on Madison's far west side, refused to rent one-bedroom apartments to single parents with one child. An agent for the property owner, A&H Properties, Holly Woehrl, told multiple prospective tenants that she wouldn't rent one-bedroom apartments to families consisting of an adult and a child, and that a household with a child would need a two-bedroom apartment.

She subsequently stated that there were no two-bedroom apartments available.

In contrast, Woehrl permitted households comprised of two adults the opportunity to view, apply for and rent one-bedroom units.

MMFHC filed a complaint with the Wisconsin Equal Rights Division, alleging that this occupancy standard treated households with children differently

than households without children, in violation of the Wisconsin Open Housing Law. The Wisconsin Equal Rights Division determined that there was probable cause to believe that the Open Housing Law had been violated, and issued a charge of discrimination against the housing provider. The complaint settled in September 2015; in the settlement agreement, A&H Properties agreed to pay monetary damages and to complete a fair housing training program.

MMFHC Files Housing Discrimination Complaint Against Mortgage Giant Fannie Mae

In May 2015, MMFHC joined the National Fair Housing Alliance and 18 other fair housing organizations from across the country in filing a federal housing discrimination complaint against Fannie Mae, one of the largest owners of foreclosed homes in the United States. The complaint, filed with the US Department of Housing and Urban Development, alleged that Fannie Mae maintains and markets its foreclosed homes (also known as real estate owned, or "REO" homes) in white neighborhoods

in a consistently better manner than those in middle- and working-class African American and Latino neighborhoods, in violation of the federal Fair Housing Act.

The complaint is the result of a 5-year investigation conducted by MMFHC and the 19 other agencies involved. MMFHC and the other fair housing groups investigated the maintenance and marketing of REO homes for dozens of types of deficiencies that affect home value, curb appeal, the security of the

home and the marketability of the property. Deficiencies included broken, boarded or damaged windows and doors; unlocked doors and windows; damaged or obstructed gutters and downspouts; accumulated trash; overgrown lawns and shrubbery; lack of 'for sale' signs; a wide variety of safety hazards; and other problems. Fannie Mae REOs in predominately white neighborhoods had far fewer deficiencies than those in predominately minority neighborhoods.

This complaint is still pending.

Fair Lending Program

The Fair Lending Program promotes fair lending and foreclosure prevention, and seeks to eradicate predatory lending practices and mortgage rescue scams. This work is conducted through leadership of groups such as Take Root Milwaukee, the National Community Reinvestment Coalition, the Alliance for Economic Inclusion, the Wisconsin Housing Advocacy Coalition, the Wisconsin Consumer Roundtable and other local, regional and national partnerships. Staff monitor financial institutions' fair lending practices and Community Reinvestment Act (CRA) activities, and provide technical assistance and education for lenders, partner agencies and the general public. In 2015, MMFHC Fair Lending Program staff activities included:

- Investigated 16 new mortgage rescue scam allegations and assisted homeowners file complaints with local, state and federal regulatory and administrative agencies, and continued to provide assistance to complainants who filed complaints in 2014. This assistance helped homeowners recover \$15,125 from mortgage rescue scammers. Complaints requesting \$67,584 of refunds from scammers are still pending.
- Coordinated two regional foreclosure prevention events for Wisconsin borrowers, presenting fair lending information, providing fair lending materials, and facilitating in-person meetings to over 200 delinquent borrowers who were able to meet with a nonprofit homeowner counselor and/or with their loan servicer on the spot and make progress toward avoiding foreclosure.
- As Immediate Past Chair of the Board of Directors of the National Community Reinvestment Coalition (NCRC), the Fair Lending Program's Senior Administrator participated in quarterly meetings of NCRC's Bankers and Community Council and chaired NCRC's Mortgage Finance Community Council which includes executives from the nation's largest mortgage lenders and mortgage insurers, collaborating with NCRC to address fair lending practices and increase underserved populations' access to capital.
- Compiled community input and lending data, wrote bank performance comment letters to bank regulators, and met regularly with banks to suggest ways to refine their products and services to better serve low- and moderate-income communities and communities of color.
- Worked with the City of Milwaukee Treasurer and other local officials to create an outreach plan to help homeowners avoid tax foreclosure.
- Conducted two presentations for real estate agents: one designed to help Milwaukee-area real estate agents understand issues regarding immigrants' cash home purchases, and one to the Wisconsin Association of Realtors Cultural Diversity Committee regarding recent trends in fair housing, fair lending and mortgage rescue scams.
- Provided fair housing and affordable housing input to the Federal Reserve of Chicago as part of their Beige Book Advisory Group.
- Conducted 14 presentations on fair lending rights and mortgage rescue scams to 806 individuals.

Outreach and Education Program

The MMFHC Education and Outreach Program provides fair housing presentations and seminars to consumers, advocates and the general public. Staff also conduct training for property owners and managers, real estate agents and other members of the housing industry, and provide fair housing technical assistance to government agencies, civil rights organizations, social service agencies and housing providers.



Fair Housing Presentations and Seminars

The MMFHC Outreach and Education Program provides presentations and seminars to community-based organizations, social service agencies, educational institutions, advocacy groups, neighborhood organizations, religious congregations and the general public. In 2015, a HUD grant permitted MMFHC to begin a new educational campaign on expansion of housing choices for consumers.

This year, 82 fair housing presentations and seminars were conducted. These presentations and seminars reached over 1355 individuals. Audience members received valuable information on the purposes and provisions of federal, state and local fair housing laws; the nature and prevalence of illegal housing discrimination; how to recognize a possibly discriminatory experience; the remedies available to victims of illegal discrimination, and more.

Fair Housing Training for Housing Providers

In 2015, MMFHC staff conducted 22 fair housing rental management training seminars throughout its service area. Over 665 individuals received training; these individuals own or manage thousands of rental units. The seminars cover in-depth information about local, state and federal fair housing laws; how to make reasonable accommodations and modifications for tenants with disabilities; advertising rental units in compliance with fair housing laws; non-discriminatory negotiation with prospective tenants, and much more. Attendees learn how to implement fair housing practices at every stage of a housing transaction, from showing available units to terminating tenancies.

Community Events

MMFHC staff participated in 30 community events such as Juneteenth Day celebrations, commemorations of the Dr. Martin Luther King, Jr. Holiday, community festivals and neighborhood fairs. Staff use these opportunities to recruit volunteers, distribute educational materials and build relationships with other organizations.

Information and Referral Services

In 2015, MMFHC provided information and referral services to over 870 callers with non-fair housing inquiries. Such inquiries are most commonly related to issues such as housing subsidies or financial assistance, tenant rights, housing repairs and other landlord-tenant concerns. When callers with non-fair housing questions contact MMFHC, they are provided general information about the protections provided by fair housing laws and are referred to an appropriate community group, government agency, social service agency or source of legal assistance.

Inclusive Communities Program

The Inclusive Communities Program provides technical assistance to community organizations, developers and local policy makers on inclusionary housing policies and the promotion of racial and economic integration. This Program also provides assistance with consumers' access to pro-integrative housing choices, and conducts research, analysis and documentation of fair and affordable housing opportunities and impediments.

The Inclusive Communities Program's 2015 activities to promote racially and economically integrated communities include the following:

- Presented to diverse audiences on expanding housing choice, inclusive housing policy and affirmatively furthering fair housing. For example, audiences included the statewide Home for Everyone Conference, the Council on Physical Disabilities, the League of Municipalities, and staff of the Cities of New Berlin and South Milwaukee.
- Collaborated with Milwaukee County Housing Division staff to implement affirmatively furthering fair housing obligations for the Community Development Block Grant cooperation agreements signed by local jurisdictions.
- Participated in the Milwaukee Housing Coalition and the Waukesha Housing Action Coalition, which work to increase housing choices for low-income households.
- Participated on the Poverty & Race Research Action Council's Civil Rights Task Force on Federal Housing Policy.
- Served on Milwaukee County's Rent Assistance Program Informal Hearing panel.
- Chaired the Wisconsin Fair Housing Network and its 2015 statewide conference.

MMFHC Continues National Leadership Role in Enforcement Training

In addition to its involvement in training fair housing organizations through the National Fair Housing Alliance's Fair Housing School, MMFHC conducted a special project in 2015 designed to improve the quality and consistency of testing investigations and enforcement actions across the U.S. This project, called Investigative Support for Testing and Enforcement Programs (ISTEP), was supported by a HUD grant awarded to MMFHC through a competitive process. The project was so successful that MMFHC received another grant to continue it in 2016.

In 2015, MMFHC and its team of experienced fair housing practitioners and attorneys provided intensive training and ongoing technical assistance to non-profit organizations that

operate fair housing testing programs in different regions of the country. Throughout the year, MMFHC and the ISTEP team provided comprehensive training on testing and enforcement work to 96 test coordinators at 65 organizations.

Post-training assessments showed that ISTEP participants made changes in their enforcement work that resulted in greater consistency in the quality of testing investigations, improved their ability to respond to housing discrimination complaints, increased the number of complaints referred to attorneys and administrative agencies, and increased the number of lawsuits filed. This, in turn, resulted in the improved capacity for victims to seek legal remedy and strengthened overall enforcement of fair housing laws.

Reclaiming Our Neighborhoods

In 2015, the Inclusive Communities Program continued the initiative launched in 2013 called Reclaiming Our Neighborhoods. Reclaiming Our Neighborhoods makes grants in support of activities that reinvest in communities harmed by the foreclosure crisis and by the unfair marketing and maintenance of bank-owned, foreclosed homes.

At the inception of Reclaiming Our Neighborhoods, MMFHC invited qualified community organizations to submit proposals for funding, and awarded three grants, each to a set of groups working in partnership. The three funded projects began work in November 2013 and continued throughout 2014 and 2015. In 2015, the status of each project was as follows:

ACTS Housing and Housing Resources Inc.

This project, led by ACTS, expanded access to affordable and responsible homeownership while improving neighborhoods that were most damaged by the foreclosure crisis. In 2015 partner organizations provided assistance to 118 families in purchasing vacant, foreclosed homes for owner occupancy; pre-purchase and post-purchase homebuyer education; and grants for repairs for homes that were previously foreclosures. In addition, ACTS has made 94 home rehab loans totaling \$494,705 to families which served to stabilize existing housing and allow longtime homeowners to stay in their neighborhoods. Housing Resources Inc. also provided post purchase workshops to 230 people in 2015.

Layton Boulevard West Neighbors (LBWN) and Select Milwaukee

LBWN and Select Milwaukee partnered to acquire, renovate and sell 4 foreclosed properties to owner-occupant families in 2015. Further, this project assisted 6 homebuyers with down payment assistance.

Sherman Park Community Association, Washington Park Partners, Clarke Square and Harambee Great Neighborhood Initiative

In order to improve housing stock and facilitate needed housing repairs in Sherman Park, Washington Park, Clarke Square and Harambee neighborhoods, these partner organizations surveyed residential properties, contacted owners in need of repair assistance and connected homeowners with resources to address their housing repair needs. Hundreds of volunteers from the neighborhoods, business partners and area nonprofits conducted the survey and assisted in making needed repairs. In the spring of 2015, 1,480 properties were identified as needing repair or rehabilitation. Residents were contacted by the partner groups in order to connect them to repair resources. By the fall of 2015, 32% of properties needing repair showed signs of improvement in addressing code violations. Absentee owners were also provided information about resources to help make repairs.

Overall, the Reclaiming Our Neighborhoods initiative exceeded expectations in 2015, as it allowed community leaders to deploy proven strategies for transforming the foreclosure crisis into neighborhood improvement opportunities.

In 2015, MMFHC staff played leadership and advocacy roles in a variety of other organizations, promoting MMFHC's mission and raising its visibility. A sampling of staff activities follows:

LEADERSHIP & ADVOCACY

Felita Daniels Ashley

- Committee Member, Wisconsin Fair Housing Network
- Board Member, Northwest Side Community Development Corporation

Lemuel Eaton

- Member, Office of the Commissioner of Insurance, Title Insurance Advisory Committee
- Member, Housing Resources Inc. Board of Directors

Nicole Lemke

- Member, Brown County Homeless and Housing Coalition
- Member, Fox Cities Housing Coalition
- Member, Winnebago Land Housing Coalition

Kori Schneider Peragine

- Member, City of Milwaukee Housing Trust Fund Advisory Committee
- Board Member, Community First
- Board Member, University of Wisconsin Milwaukee Alumni Association – Urban Planning Chapter
- Member, Poverty and Race Research Action Council's Civil Rights Task Force on Federal Housing Policy

Olivia Rico-McKeen

- Board & Finance Committee Member, Community Shares of Wisconsin
- Member, Dane County Homeless Services Consortium
- Member, Latino Support Network
- Member, Joining Forces for Families Housing Group

Bethany Sanchez

- Immediate Past Chair and current member of the Board of Directors of the National Community Reinvestment Coalition (NCRC)
- Member, Federal Reserve Bank of Chicago's Beige Book Advisory Group
- Chair, Take Root Milwaukee's Foreclosure Outreach Workgroup

William R. Tisdale

- Co-Chair, LISC Milwaukee Housing Rehabilitation Affinity Group
- Member, Wisconsin Consumer Roundtable
- Steering Committee Member, Wisconsin Affordable Housing Coalition
- Member, Urban Economic Development Association of Wisconsin Program Committee

Carla Wertheim

- Member, U.S. Congresswoman Gwen Moore's Advisory Committee on Housing
- Faculty Member, National Fair Housing Alliance Fair Housing School

PEOPLE

2015 MMFHC Staff

William R. Tisdale,
President and Chief Executive Officer

Carla Wertheim,
Executive Vice President

Ana Maria Acosta,
Program Assistant

Sarah Aragon,
Program Assistant

Felita Daniels Ashley,
Senior Program Coordinator

Margaret Bowitz,
Senior Administrator -
Case Management Services

Barbara Collins,
Program Assistant II

Gabriella Dieguez,
Program Assistant II

Lemuel Eaton,
Senior Program Coordinator -
Fair Lending Program

Olena Eichinger,
Fiscal Manager

Timothy Gannon,
Program Assistant

Gail Hyde,
Senior Accountant

Justin Klug,
Program Assistant

Nicole Lemke,
Program Services Coordinator II*

Deanna Richardson,
Senior Administrator -
Investigative Services

Olivia Rico-McKeen,
Program Services Coordinator**

Bethany Sanchez,
Senior Administrator -
Fair Lending Program

Erika L. Sanders,
Director - Program Services

Rachel Scalise,
Administrative Assistant

Christine Schneider,
Investigator

Kori Schneider Peragine,
Senior Administrator -
Inclusive Communities Program

Andre Simpson,
Program Assistant

Caitlin Taylor,
Investigator

Celestine Walker,
Support Services Coordinator

Megan Wanke,
Administrative Services Manager

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Chairperson

Keith Cowan,
Treasurer

James Connolly,
Secretary

Johnny Kimble, Jr.,

Carol Lobes

Richard Strode,
Vice Chairperson

William R. Tisdale

Henry Venzant

Mary Yank

2015 MMFHC Advisory Committee

The Honorable Carl Ashley

Mary Bruce

Milwaukee County Supervisor
Willie Johnson, Jr.

Andrew Ruhl

2015 FHCGM Advisory Committee

Carol Lobes,
Chairperson

Dane County Supervisor Carousel
Andrea Bayrd

Paul Fieber

Fabiola Hamdan

Tracy Miller

Toriana Pettaway

Merry Fran Tryon

2015 FHCNW Advisory Committee

Stephen Hintz

Rosemary Jonas

Lisa Schneider

Scott Schnurer

2015 General Counsel

Katherine L. Charlton of Hawks
Quindel, S.C.

2015 Funding Sources

US Department of Housing
and Urban Development -
Fair Housing Initiatives

Program

State of Wisconsin
Department of Administration

City of Milwaukee
Community Development
Block Grant (CDBG) Program

Milwaukee County CDBG Program

Waukesha County CDBG Program

City of Appleton CDBG Program

City of Green Bay CDBG Program

City of Madison CDBG Program

City of Neenah CDBG Program

City of Fond du Lac CDBG Program

City of Oshkosh CDBG Program

City of Wauwatosa CDBG Program

Dane County CDBG Program

Community Shares of Wisconsin

BMO Harris Bank

Wisconsin Fair Housing Foundation

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FAIR

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